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transaction. Thus, it is respectfully submitted that the Sleeper reference neither discloses nor suggests "dividing a consumer transaction at a POS location into multiple time frames, a total duration of the time frames equaling a total duration of the transaction," as recited in claim 1.

In addition, the Sleeper reference makes no mention of adjusting a duration of an ad. According to the Sleeper reference, a PRS messenger packages events as messages in a queue. (See the Sleeper reference, col. 8, lines 56-59). The Examiner states that the Sleeper reference purportedly discloses changing ads based on time frames. However, as stated above, the events are not analogous to the frames. If the events were analogous, it would mean that messages would change when an event ended. Although it is not possible to ascribe a duration to an event (which is actually only an instantaneous moment in time), events can be said to have duration in relation to each other, in that it may be possible for an event to be ended by the occurrence of a second event. That is, the second event can preempt the first event. However, the Sleeper reference provides no indication or suggestion that it is possible or even desirable to have event preemption. In fact, the Sleeper reference explicitly teaches against this with the message queue. Each message is translated into an HTML or dHTML file that is accessed by a PRS browser and displayed on the auxiliary display device. (Id. at col. 9, lines 4-18). The messages are always displayed and do not end when a new event is received. Thus, it is respectfully submitted that the Sleeper reference neither discloses nor suggests "adjusting a duration of the ad based on whether the one of the time frames has ended," as recited in claim 1.

Accordingly, Applicants respectfully request that the Examiner withdraw the rejection of claim 1 for the above stated reasons. Because claims 2-13 and 29-59 depend from, and therefore include all of the limitations of claim 1, it is respectfully submitted that these claims are allowable for the reasons stated above.

Independent claim 60 recites limitations substantially similar to those of claim 1, including "dividing a consumer transaction at a POS location into multiple time frames, a total duration of the time frames equaling a total duration of the transaction" and "adjusting a duration

of the first and second ads based on whether the first and second time frames have ended.” Therefore, it is respectfully submitted that claim 60 is allowable for the reasons stated above with reference to claim 1, and that the rejection of this claim should be withdrawn. Because claims 61, 63 and 64 depend from, and therefore include all of the limitations of claim 60, it is respectfully submitted that these claims are also allowable.

Independent claim 68 also recites limitations substantially similar to claim 1, including “dividing a consumer transaction at a POS location into multiple time frames, a total duration of the time frames equaling a total duration of the transaction” and “adjusting a duration of the ad based on whether the one of the time frames has ended.” Therefore, it is respectfully submitted that claim 68 is allowable for the reasons stated above with reference to claim 1, and that the rejection of this claim should be withdrawn. Because claims 69 and 70 depend from, and therefore include all of the limitations of claim 68, it is respectfully submitted that these claims are also allowable.

The Examiner has rejected claims 14-15 and 26-28 under 35 U.S.C. § 103(a) as unpatentable over the Sleeper reference in view of U.S. Patent 6,456,981 to Dejaeger et al. (The Dejaeger reference”). (See 6/26/06 Office Action, ¶ 60).

The Dejaeger reference describes an apparatus for displaying a customized advertising message. (See the Dejaeger reference, Abstract). A self-service checkout terminal displays the message and generates an output signal when the entire message has been displayed. The message is displaying in its entirety. (Id. at col. 14, line 60 - col. 15, line 3). Thus, it is respectfully submitted that the Dejaeger reference fails to cure the deficiencies of the Sleeper reference and neither the Dejaeger reference nor the Sleeper reference, either alone or in combination, discloses or suggests “dividing a consumer transaction at a POS location into multiple time frames, a total duration of the time frames equaling a total duration of the transaction” and “adjusting a duration of the ad based on whether the one of the time frames has ended,” as recited in claim 1.

Based on the reasons discussed above, it is respectfully submitted that claims 14-15 and 26-28, which depend from, and, therefore include the limitations of claim 1, are allowable.

Claim 67 was rejected under 35 U.S.C. § 103(a) as unpatentable over the Sleeper reference in view of the Dejaeger reference and further in view of U.S. Patent 6,615,183 to Kolls. ("the Kolls reference"). (See 6/26/06 Office Action, ¶ 68).

Independent claim 67 recites a method including the steps of "dividing a transaction into time frames, a total duration of the time frames equaling a total duration of the transaction" and "if the ad is displayed in the one time frame, adjusting a duration of the ad based on whether the one time frame has ended."

The Kolls reference discloses a universal advertising and payment system. (See the Kolls reference, Abstract). Advertisements are distributed to systems or vending machines throughout a network, and each machine determines if a received advertisement can be displayed at the current time. (*Id.* at col. 23, lines 8-16). Under the system described by the Kolls reference, any advertisement received at a machine will be displayed if displaying is possible at the time the advertisement is received. Thus, it is respectfully submitted that the Kolls reference fails to cure the deficiencies of the Sleeper reference and neither the Sleeper reference, nor the Dejaeger reference nor the Kolls reference, either alone or in combination, discloses or suggests "dividing a consumer transaction at a POS location into multiple time frames, a total duration of the time frames equaling a total duration of the transaction" and "adjusting a duration of the ad based on whether the one of the time frames has ended," as recited in claim 1. Because claim 67 recites limitations substantially similar to those of claim 1, it is respectfully submitted that this claim is allowable for at least the same reasons.

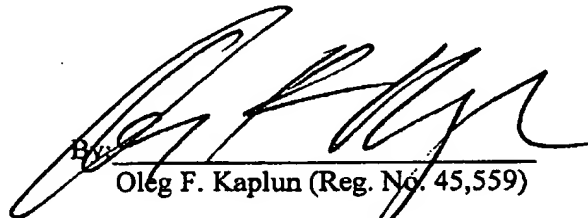
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III. CONCLUSION

In light of the foregoing, Applicants respectfully submit that all of the pending claims are in condition for allowance. All issues raised by the Examiner having been addressed, and an early and favorable action on the merits is earnestly solicited.

Respectfully submitted,

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